

RESOLUTION NO. 07-33

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE RELEASE OF PROPOSED CHANGES TO THE CRITERIA, PRIORITIES AND GUIDELINES FOR THE ISRF PROGRAM FOR PUBLIC COMMENT

WHEREAS, the California Infrastructure and Economic Development Bank ("I-Bank") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following), as now in effect and as it may be amended or supplemented (the "Act"), for the purpose of, among other things, providing financial assistance for public development facilities (as such term is defined in the Act) ("Projects") located in the State of California; and,

WHEREAS, the Act requires the I-Bank to establish criteria, priorities and guidelines ("Criteria") for the selection of Projects to receive assistance from the I-Bank; and,

WHEREAS, Project financial assistance has been funded with cash, proceeds from the \$51.4 million Infrastructure State Revolving Fund Revenue Bonds, Series 2004 (2004 ISRF Bonds); and proceeds from the \$52.8 million Infrastructure State Revolving Fund Revenue Bonds, Series 2005 (2005 ISRF Bonds); and,

WHEREAS, the 2004 and 2005 ISRF Bonds are tax-exempt financings subject to certain conditions of Section 106 of the Internal Revenue Code (IRC) including a "spend down" rule that requires 85% of the bond proceeds to be spent with a three-year period; and,

WHEREAS, in order to better ensure compliance with the "spend down" rules staff recommends shortening the time period for the Borrower to demonstrate readiness to proceed with Project construction from twelve months to six months, along with a related change in the readiness point scoring category; and,

WHEREAS staff requests the I-Bank Board's permission to obtain public comment on proposed amendments to the Criteria, Priorities and Guidelines (Criteria) for the ISRF Program (Program) to shorten the "readiness to proceed" supplemental threshold eligibility criteria with the goal of facilitating the future issuance of bonds for the Program;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank ("Board"), as follows:

Section 1. The Board directs and authorizes staff to obtain public comment on proposed amendments to the Criteria, Priorities and Guidelines (Criteria) for the ISRF Program (Program) to shorten the "readiness to proceed" supplemental threshold eligibility criteria.

Section 2. This resolution shall take effect from and after its adoption.

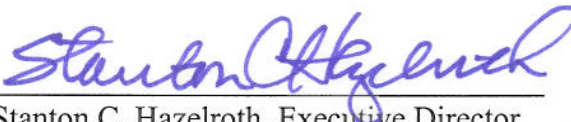
PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Directors of the California Infrastructure and Economic Development Bank on November 20, 2007, by the following vote:

AYES: Matteucci, Sheehan, Rosenstiel, Rice, Lopez

NOES: None

ABSENT: None

ABSTAIN: None

By: 
Stanton C. Hazelroth, Executive Director

ATTEST

By: 
Barbara Lewis, Secretary